

Medication Therapy Management Program

This program was enabled through HF 2531 and signed into law on April 29th, 2010. The program was funded through a \$543,000 appropriation from the Iowa comprehensive petroleum underground storage tank fund. DAS paid \$482,118 to Outcomes Pharmaceutical Health Care L.C. for their expense and reimbursement to participating pharmacists.

The Legislation required that we bid the program through a request for proposal, select a vendor and have the program up and running prior to July 1st, 2010. This presented some problems:

- The timeline mandated by the legislation did not allow for information gathering and preparation. We were not able to conduct the research that would have provided the department with better knowledge of MTM programs in general and because of this, our ability to negotiate with any perspective vendor was diminished.
- The rushed appearance of this process reduced competition. It is likely we were not able to negotiate the best possible deal as only one vendor bid on this RFP. DAS entered into a contract with the selected vendor during July of 2010 with an ending date for the engagement of June 30, 2011.
- The performance expectations and guarantees that the vendor would agree to and were those that were defined in the legislation. Specifically Division XIV, Section 2C.

The MTM program started to actually function as a program in August of 2010. Both state employees and pharmacists were informed of the program. A poster outlining the program was sent out on 8/9/2010 with additional information and a FAQ at the State's benefit website.

The MTM vendor reported the following data reports to DAS for the program from 10/5/2010 to 7/5/2011 (9 months).

Overall Vendor Reported Results as of 7/5/2011:

\$3,914,141.63 Total Estimated Cost Avoidance (ECA)
\$1,017,071 Level 2 (Drug Product Cost) ECA
\$440,384 in Program Fees through May
\$8.88:\$1 Overall ROI
\$2.31:\$1 Drug Product Savings ROI

ECA Breakdown:

Level 2 - Drug Product Costs Saved: \$1,017,071
Level 3 - Additional Physician Visits Avoided: \$92,945
Level 4 - Additional Prescription Orders Avoided: \$244,496
Level 5 - Emergency Room Visits Avoided: \$41,541
Level 6 - Hospital Admissions Avoided: \$2,041,255
Level 7 - Life Threatening Situations Avoided: \$476,833

Vendor explanation of savings associated with Levels 2 through 7

Under ECA Level 2, a calculated savings is obtained as the Outcomes System captures the changes in medication regimens. For chronic medications that are involved in a product transition, discontinuation or other cost efficacy intervention, the savings are

annualized. Examples of services that yield ECA Level 2 Drug Product Savings are prescriber consultations relating to cost efficacy management transitions (which includes formulary management and therapeutic interchange), the elimination of unnecessary therapies, or the resolution of excessive dose/duration.

ECA Levels 3-7 are estimated savings of other health care costs avoided. The assigned dollar values for ECA Levels 3-7 are based on an article published in the peer-reviewed medical journal, The Archives of Internal Medicine. These values are updated annually according to an inflationary index.

These savings have not and cannot be validated due to a lack of data and a lack of funding. We can also not say if there would be a level of diminishing returns over some period of time. At the same time we cannot dispute the savings as they have been reported by the vendor.

We did ask during the RFP process whether the service provider's methodology and modeled cost avoidance had ever been validated or confirmed as true savings that clients actually realize. There was no such information available and the service provider further indicated that such a study would be borne by the State.

When it appeared that we might have another year to study this program due to proposed legislation that was later vetoed, we began to consider how we might validate this program in the future. We came to the conclusion, with Deloitte Consulting, that it would be a fairly difficult endeavor to clearly quantify MTM program savings. Nevertheless, we did create a data shell and performance guarantees that we would seek in any future contract for MTM services if we were asked to again offer such a program.

Professional Responsibilities

The Iowa Administrative Code addressing Pharmacy regulations, rule 657.6.14 states "upon receipt of a new prescription drug order and following a prospective drug use review pursuant to 657-8.21(155A), a pharmacist shall counsel each patient or patient's caregiver." It further states "Patient counseling shall be on matters which, in the pharmacist's professional judgment, will enhance or optimize drug therapy."

It is standard within medical and pharmacy practice to counsel patients on drug therapies to improve patient health care outcomes and is mandated in the Iowa Administrative Code addressing Pharmacy regulations. Counseling and education are standards of care and part of the customary practices for a pharmacist. The education a pharmacist receives prepares them to manage patient-specific drug therapies and is a fundamental standard of licensure by Boards of Pharmacy. Patients should be allowed to receive counseling pursuant to their profile of medications and this should be delivered by any and all qualified professionals in the natural course of prescription delivery services.

Summary

Outcomes staff were professional and knowledgeable. And because of this pilot they were able to increase the number of Iowa pharmacies that participate in their network. In the future if we were asked to again offer an MTM program we would ask that more time be given to the search process and that any legislation not detail too specifically the plan or methodology to be contracted for in order to expand the number of vendors that would potentially bid thus driving competition and effectiveness of any future program.

State of IOWA Employees MTM Pilot Program Update

In 2010, the State of Iowa Employee Medication Therapy Management (MTM) Pilot Program was enacted through House File 2531. Outcomes Pharmaceutical Health Care® (Outcomes) was the selected administrator of the MTM pilot program that began on July 1, 2010. Outcomes, an Iowa based company, is the national leader in the creation and administration of MTM programs. Unique to other models, the Outcomes MTM system leverages the relationship between the patient and their local pharmacist resulting in demonstrated cost savings to both the patient and the health plan provider, as well as improving the patient's quality of life.

What is Medication Therapy Management (MTM)

The Outcomes MTM program utilizes Iowa pharmacists to help patients manage their medications and improve patient adherence through education and continued monitoring. This program has demonstrated the impact pharmacists have on containing health care costs while improving a patient's quality of life.

Patients are eligible for 4 services:

1. *Comprehensive Medication Review*
2. *Prescriber Consultation*
3. *Compliance Consultation*
4. *Patient Education & Monitoring*

Outcomes invests in Iowa pharmacies and encourages health care to be kept local. Many companies who deliver MTM services provide outreach to patients through out-of-state call centers. The Outcomes MTM program utilizes community pharmacists, building on the existing relationships between patients and their local health care providers. Iowa pharmacists helping Iowa patients.

PILOT PROGRAM RESULTS First Twelve Months: 7/1/2010-6/30/2011

▶ Return on Investment

- Overall ROI: **\$8.83**
- Drug Product Savings ROI: **\$2.44**

▶ ROI based on an *Archives of Internal Medicine* study that placed monetary values on drug related mortality and morbidity. These values serve as the baseline for the ROI methodology and updated annually using the Consumer Price Index for Health Care to account for inflation.

- Estimated Costs Avoided/Saved: **\$4,255,416**
- Drug Product Costs Saved: **\$1,176,809**

▶ **Members Touched:** **5,433**

▶ **MTM (Total) Claims:** **9,753**

▶ Iowa Pharmacy Network

- Participating Pharmacies: **528**

**Claims and reported ECA subject to change pending completed QA review*

Encounter #2734092 – Heart Attack Prevention

During a counseling session at **Nucara Pharmacy 09** in **Nevada, IA**, Outcomes Personal Pharmacist, **Brett Barker** recognized a potentially dangerous gap in therapy. An Outcomes-covered patient who recently experienced a heart attack had not been prescribed a medication commonly used to prevent future heart attacks. Brett contacted the prescriber to make a suggestion and the prescriber admitted to forgetting the essential therapy. A new prescription was submitted and the patient was initiated on a medication known to prevent additional heart attacks. Nice intervention, Brett!

Encounter #1531345 - Cost Efficacy Management

While completing a TIP® through the Outcomes Targeted Intervention program at **White Drug 042** in **Spencer, IA**, Outcomes Personal Pharmacist, **Amy Fitch**, capitalized on a cost savings opportunity. An Outcomes-Covered patient had been taking an expensive brand name blood pressure medication when an equally effective generic alternative was available. The pharmacist counseled the patient regarding the potential cost savings and then contacted the prescriber to suggest the generic alternative be initiated. The prescriber agreed with the pharmacist's recommendation and the patient was started on the more cost-effective generic blood pressure medication. Great intervention, Amy!

Encounter # 1393740 – Medication Underuse

While reviewing the profile of an Outcomes-Covered patient at **Walgreen Drug Store 11759** in **Fort Madison, IA**, Outcomes Personal Pharmacist, **Steven Schwartz**, noticed that the patient had been under-using an important cardiovascular medication. Based on the patient's disease state history, underuse of this medication could lead to potentially severe adverse effects. The pharmacist counseled the patient on the importance of staying compliant with the medication and then followed-up with the patient to ensure continued adherence to therapy. The patient remained compliant at follow-up and reported no issues with the medication. Great intervention, Steven!

Encounter # 1507887 – Adverse Drug Reaction

While counseling a patient at **Hy-Vee Drug Store 1060** in **Cedar Rapids, IA**, Outcomes-Personal Pharmacist, **Thane Kading**, came across an opportunity to improve patient care. An Outcomes-covered patient had been experiencing hallucinations and anxiety symptoms that were possibly connected to the sleep aid medication being taken. The pharmacist counseled the patient regarding the adverse reaction and then contacted the prescriber to recommend an alternative sleep aid medication be initiated. The prescriber agreed with the pharmacist's suggestion and the patient was started on a new medication with a lower incidence of causing hallucinations or anxiety problems. This intervention prevented a potential physician visit and improved patient care. Great job, Thane!

Encounter # 1776888 – Diabetes Medication Dosing

At **Medicap Pharmacy 8011** in **Des Moines, IA**, Outcomes Personal Pharmacist, **Megan Friedrich**, discovered a potentially dangerous drug dosing issue. An Outcomes-covered patient with diabetes had been recording consistently low blood sugar levels. If these levels fall too low, the patient is at an increased risk of experiencing an emergent adverse event such as loss of consciousness or even death. The pharmacist determined that the dose of the patient's diabetes medication was too high and contacted the prescriber to suggest a change be made. The prescriber agreed with the pharmacist's recommendation and the patient was initiated on the diabetes medication at a lower dose. This intervention helped to prevent any unwanted adverse effects associated with dangerously low blood sugar levels. Great intervention, Megan!

